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Spotlight

ON FOREIGN MARKETING



TO FAS MARKET DEVELOPMENT COOPERATORS AND AGRICULTURAL ATTACHES

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CURRENT SERIAL RECORDS

COOPERATOR LUNCHEON

Commodity problems of cooperators were among the subjects of discussion at a FAS-Cooperator luncheon in Washington, April 25. Lee Campbell, Chairman of the Committee of Washington Cooperators, emceed the session.

Clarence Palmby, U.S. Feed Grains Council, told of the problems in lowering the moisture content of U.S. corn for export. Corn dried in the conventional manner looks good but often has too much moisture. Artificially dried corn, if dried too quickly, becomes brittle and breaks in handling. Sophisticated buyers recognize that the feeding quality of the corn is not damaged, but others, who buy largely on the basis of appearance, are critical of the broken kernels and "flouring" that results from too rapid heat-drying. The problem is largely a matter of education.

Joe Halow, Great Plains Wheat, commented on the increased competition from Australia in world markets. Australia has a bumper wheat crop, about twice as big as last year, and a seven percent increase in acreage is expected this year. Aggressive promotion is underway. Steps being taken include reclassification of wheat into 12 classes, long-term credit to de-



The general session of the March 27 - April 3 Tokyo market development workshop. About 50 cooperator and FAS market development workers participated.



The U.S. Feed Grains Council marketing plan session at the Tokyo market development workshop.

veloping countries, team visits to Latin America and South Africa, and consolidation of small orders into large shipments to reduce freight costs.

Ray Steinbach, Cotton Council International, reported on the new emphasis on cotton quality. The improvement being made in varieties is one of the brightest pictures on the entire cotton horizon. Individuals within the cotton industry are more quality conscious than ever before. Higher yields continue to receive attention but the emphasis has shifted decidedly in the direction of fiber quality improvement. About 700,000 acres of new higher quality varieties will be planted this year. More would be planted if seed were available and much larger quantities are expected to be available for planting in 1968.

Lee Campbell, Institute of American Poultry Industries, spoke on the need for looking on the optimistic side in market development. Much of the pessimism about poultry exports is unwarranted. The poultry program has been faced with almost every conceivable type of problem -- from exchange controls, health barriers, packing regulations to EEC non-tariff barriers. U.S. poultry exports are down from a few years ago but the market is still substantial and there are opportunities for future development. We are finding means of meeting these adverse situations. In Germany, still our largest overseas poultry market, we are emphasizing new products -- turkeys, turkey parts, chicken parts and speciality items. Sales to Austria are being built up through in-store promotions, demonstrations, trade exhibits and other IAPI activities.

GLOBAL MARKETING PLAN

A "Global Marketing Plan" was developed by the Washington staff of the U.S. Feed Grains Council for the guidance of the Council's country and area directors in the development of their annual marketing plans. The global plan outlines the marketing situation, problems and opportunities and general approach to market development which the Feed Grains Council will pursue in the year ahead to expand markets.

As pointed out in the book, "Goal Setting", by Charles L. Hughes, published by the American Management Association, companies or organizations must do key planning from the top down. Broadening and understanding of the broad, long-range implications of forecast trends, and the overall objectives of the organization would be helpful.

ATTACHE ASSIGNMENTS

Gerald Shelden, assistant attache in Paris, is to become agricultural attache in Monrovia, replacing *Dudley Williams*, who will be coming in for a Washington assignment.

Ken Ogren, ERS, will be the agricultural attache to the U.S. OECD in Paris, replacing *Grover Chappell*, who will be coming in for a Washington assignment.

John Hudson, Trade Policy Division, is in training as assistant agricultural attache to USEC in Brussels.

Frank Padovano, Fruit and Vegetable Division, is to be an assistant agricultural attache in London.



ANDRE ABRAJANO

John Riesz, Livestock and Meat Products Division, is now in Tehran as the new assistant agricultural attache.

Milton Anderson, Program Operations Division, will be arriving in Monrovia next month as the new assistant agricultural attache.

Harry Bryan has returned from Pakistan where he served as assistant agricultural attache and acting agricultural attache. His next assignment will be agricultural attache at Guatemala City.

GPW REGIONAL DIRECTOR

Andre Abrajano has assumed the responsibilities of Regional Director of the Caracas, Venezuela office of

Great Plains Wheat, Inc. He will be responsible for the organization's market development programs in Venezuela, Colombia, Ecuador, Peru, Chile, Central America and the Caribbean.

Prior to joining Great Plains Wheat, Abrajano was district manager of the Special Markets Division of Lever Brothers Company. Before that, he was Regional Export Supervisor for the Pillsbury Company and also served as an Export Representative for Markt and Hammacher Company.

MARKETING PLANS

Most cooperator marketing plans for fiscal year 1968 have been received and are now being reviewed in FAS.

"Brick" Rehling, who reads them all, reports considerable improvement in plans. They generally show better review and editing by the cooperators' home office, improved organization, and more specific presentation of proposed activities.

NEW COOPERATOR

The American - International Charolais-Charbray Association recently signed a two-year Cooperator Project Agreement with FAS for the promotion of U.S. Charolais and Charbray breeding cattle. Activities will include judging teams, purchase missions, promotional brochures, market studies, and exhibits of Charolais and Charbray cattle at international shows.

The American-International Charolais-Charbray Association office is located in Houston, Texas. J. Scott Henderson is the Executive Secretary.

TRADE EXHIBITS

Edinburgh. The first U.S. food industry exhibit of American processed foods in Edinburgh, Scotland took place at the Ideal Home Exhibition, April 19-May 6. Over 400 products of 44 U.S. food companies were shown and sold.

Considerable interest was centered in the new products area, where representatives of Grocery Manufacturers of America, Inc., introduced 25 food items not presently on sale in stores in Edinburgh. Popcorn, eggnog, chocolate beads, fried chickens, chicken patties, and salad dressings proved to be the most popular items.

In the cooperator area where exhibit co-sponsors -- California Prune Advisory Board, California Raisin Advisory Board and U.S. Rice Council for Market Development -- had industry-wide displays, visitors tasted samples of rice dishes, raisin bread and prune and cheese kebab.

Tied-in with the exhibit was an in-store promotion at the St. Cuthbert's food chain, featuring many of the same foods offered at the exhibit. The chain has 79 stores, 29 of which are supermarkets with more than 3,000 feet of floor space.

Frankfurt. A large segment of the West German food industry attended the April 5-14 American Processed Food Exhibit at the U.S. Trade Center in Frankfurt. The exhibit of over 400 products of 72 U.S. firms served as a headquarters for meetings between buyers and sellers. One exhibitor registered more than 50 potential customers. Another reported doing over \$20,000 in business during the show.

The Institute of American Poultry Industries, California Raisin Advisory Board, and the California Cling Peach Advisory Board were among the exhibitors.

The exhibit also served as a meeting place between European firms, the Office of U.S. Agricultural Attache, exhibit officials and German importers in planning American in-store promotions. A German wholesaler, supplying about 80,000 retailers, worked out plans for a two-week promotion of U.S. foods beginning September 25. A key European food chain sent representatives from its offices in Amsterdam, Paris, Brussels, and Frankfurt to discuss plans for American in-store promotions at 30,000 stores in France, Belgium, The Netherlands, West Germany, Austria, Switzerland and Spain.

Nearly 600 German tradesmen registered for the exhibit. Attendance at the press reception at the opening of the exhibit was the largest ever recorded at the Frankfurt Trade Center.

Stockholm. The April 19-26 American Processed Foods Exhibit at the U.S. Trade Center in Stockholm created a definite sales impact in the Scandinavian countries. Ninety-six U.S. firms and the U.S. Rice Council and Institute of American Poultry Industries exhibited over 500 American food products. Nearly 1,000 visitors attended the exhibit, including 540 businessmen representing 85-90 percent of the food business in Sweden. Indicative of the interest from other countries was a delegation of 21 trades people from Denmark who came to Stockholm at their own expense to view the exhibit.

The trade visitors were impressed by the wide variety of American foods and showed special interest in the frozen pre-cooked convenience foods



Wheat Associates noted its 10th anniversary in Japan this March with the presentation of special plaques to its 16 third-party cooperators. Shown left to right: Paul Sone, Assistant WA Director; Richard Baum, Executive Vice President of Western Wheat Associates; James Hutchinson, WA Far East Director, making the presentations; Elmer Hallowell, Agricultural Attache; Kahei Matsushima, representing the Japan biscuit industry, receiving the plaque; and Goro Watanabe, who also received a 10 year plaque.

and new items to the Swedish market such as turkey rolls, dietetic foods, frozen oysters and stuffed shrimps. Four exhibitors reported \$86,000 in immediate, off-the-floor sales. Six others estimated potential sales of over \$1 million. At least 10 new agents were signed-up to represent the American firms.

Minister of Agriculture Eric Holmqvist opened the exhibit and feature articles appeared in the daily press as well as several of the leading Scandinavian trade papers.

FAS MERIT CERTIFICATES

The following FAS employees, working in various capacities in the market development program, received Certificates of Merit April 18, for Sustained Above-Average Performance:

Eleanor R. Birely, Secretary to David L. Hume; Albert Eberhard, Office of the Agricultural Attache, Bern; Frank W. Ehman, Agricultural Attache, Trinidad; James K. Freckmann, Assistant Agricultural Attache, Rome; Mary W. Goode, Cotton Division; Francis S. Harrell, Chief, Program Funds Branch; F. Elizabeth Johnson, International Trade Fairs; Kenneth K. Krogh, Deputy Assistant Administrator; Paul G. Minneman, Agricultural Attache, Bonn; Patricia A. Ogg, International Trade Fairs; Richard E. Passig, Program Funds Branch; Arthur M. Rollefson, Agricultural Attache, Copenhagen; William L. Scholz, Assistant Agricultural Attache, London; Richard A. Smith, Agricultural Attache, Colombia; and Elmer B. Winner, International Trade Fairs.

Unit awards went to the International Trade Fairs Division and Trade Projects Division.

Certificates of Merit for Special Act or Service went to Wallace N. Dudley, Foreign Market Information; and Edward A. Gorman, Jr., International Trade Fairs.

BOOKS OF INTEREST

Goal Setting, Key to individual and organizational effectiveness, by Charles L. Hughes, American Management Association (1965), 135 West 50th Street, New York, New York 10020.

Defining Advertising Goals for measured advertising results, by Russell H. Colley, Association of National Advertisers, Inc. (1961), 1155 East 44th Street, New York, New York.

POEM FROM EDINBURGH

W. W. Neill of Edinburgh, Scotland, had this to say about our U.S. foods exhibit at the April 19-May 6 Ideal Home Exhibition:

Most of the Yankees I have seen
In furrin parts have always been
Hung round with rifles and hand grenades...
And not engaged in the grocery trades.

But often they carried in a can
Refreshment for the inner man;
And cans they'd give me to consume
Dispelling my nostalgic gloom.

A wiser person might be quiet
About this military diet...
Not U.S. Food Exhibit's cheer
But cans and cans of ice-cold beer.

Now row on row, and can by can
Is every food that's known to man;
Cranberry sauce like canned ambrosia...
The U.S. food-man really shows ya.

Vichyssoise and lobster bisque...
All ready made, and there's no risk
Of choking on a lobster claw
Left inadvertently by Maw



A 5-man Austrian-German team visited with Soybean Council and Department of Agriculture officials, April 10, as part of a tour to study the use of soybean meal.

For corn on cob and corn that pops
The U.S. has pulled all the stops;
It really is downright amazin
The uses of prune, rice, an' raisin.

If Jesse James and all those others
Had been fed canned food by their mothers:
Instead of going where buff'lo roam
They'd have stayed quietly at home.



HERE and THERE

Dr. A. W. O. Bock, Manager, Wheat Industry Control Board, Republic of South Africa, is in the U.S. for a month's tour of the wheat producing areas and export facilities. Great Plains Wheat and FAS are sponsoring the visit. Dr. Bock is a key executive in South Africa, being responsible for all purchases of wheat and other grains on the world market.

Governor Godwin of Virginia headed a Virginia trade mission to Europe this April, including representation from food and agricultural groups. A highlight of the trip was an audience with King Gustav of Sweden, preliminary to Virginia's participation in the April 19-26 American Processed Foods Exhibit in Stockholm.

Winn Tuttle, Director of the Taiwan Wheat Associates office, has published a Chinese edition of a booklet on bread baking for distribution to Chinese bakers in the Philippines, Singapore, Malaya, Thailand and Taiwan.

A five-man team of English millers is in the U.S. for a three-week trip to observe and study the handling, grading and marketing of wheat from producing area to export facilities, including the terminal markets, boards of trade and export elevators. Great Plains Wheat and FAS are sponsoring the visit. The team is accompanied by agricultural attache Bob Anderson. GPW marketing specialist Joe Raley is providing escort service for the U.S. visits.

Rene Kauffman, Rice Council, Zurich, was in Washington, D.C. and Houston last month conferring on administrative matters.

Brian Wilmot of Graham Cherry, London, overseas consultant for the Michigan Bean Shippers Association, was in the U.S. this month to consult with the association and make plans for a canners seminar to be held this September.

Holstein exports reached a record high last year of 20,488 head to 32 countries. Over the past five years (1962-66) of market development programs with the Holstein-Friesian Association of America, exports of Holstein cattle have totaled 77,969 head at an estimated value of about \$39 million. Market development expenditures for Holstein projects have totaled \$18,642 or about one-fifth of one percent of the export earnings.

The Philippine Flour Millers Association is working with Wheat Associates on a \$125,000 campaign to encourage increased wheat consumption in the Philippines. Sixty percent of the project costs are being paid by the millers.

Bob Minor, Tobacco Associates, is on an around-the-world trip visiting Japan, Thailand and other countries where Tobacco Associates is carrying on programs.

The Japan Cotton Promotion Institute has launched a cooperative advertising program for brand-name products. When JCPI announced the plans to the textile industry and trade, the number of companies and trade organizations that applied for "partnership with cotton" was almost three times the maximum acceptable. Forty companies and six trade organizations were selected.

Otho Skaer, a cereal chemist from Spokane, Washington, is on a three month assignment with Great Plains Wheat providing technical assistance to the European grain trade.

Two Japanese bakers recently visited California to seek better ways of making raisin baked foods a part of the Japanese diet. The project was a combined operation of the California Raisin Advisory Board, the All Japan Federation of Bakers Association, and FAS. The bakers will be conducting seminars in Japan on raisin baked foods.

The National Renderers Association has started publishing a regular monthly "NRA Newsletter," covering news of the association's activities at home and abroad. Robert J. Werner is the editor.